

Community Music Limited
Company Limited by Guarantee
Audited Financial Statements
31 March 2022

Jackson & Jackson
A trading name of Jackson Nicholas Assie Limited
Chartered Certified Accountants & Statutory Auditors
Suite 7, Meridian House
62 Station Road, Chingford
London E4 7BA

Community Music Limited
Company Limited by Guarantee
Audited Financial Statements
Year ended 31 March 2022

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Community Music Limited
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 March 2022

The trustees, who are also the directors for the purposes of company law, present their report and the audited financial statements of the charity for the year ended 31 March 2022.

Reference and administrative details

Registered charity name Community Music Limited

Charity registration number 293419

Company registration number 01967704

Principal office and registered office The Brady Centre
192-196 Hanbury Street
London
E1 5HU

The trustees

Helen Searle	Chair
John Prince	
Pauline Muir	(Resigned 14/7/2022)
Eshan Haque	

Chief Executive Officer Richard Clegg

Company secretary Richard Clegg

Auditor Jackson Nicholas Assie Limited
Chartered Certified Accountants & statutory auditor
Suite 7, Meridian House
62 Station Road
Chingford
London
E4 7BA

Bankers Lloyds Bank
40 Rosslyn Hill
London
NW3 1NL

Solicitors Harbottle and Lewis
14 Hanover Square
London
W1S 1HP

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 March 2022

1. Structure, Governance and Management

1.1 Community Music Limited is a charitable company limited by guarantee, incorporated on 2 December 1985 and registered as a charity on 24 April 1986. The Company was established under a Memorandum of Association, which established the objects and the powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

1.2 Methods of appointing new trustees: New trustees are appointed from time to time by the existing trustees. An annual assessment of skills gaps relating to the aims and objectives of the trust is completed by the trustees and new members identified from known professional associates to supply those skills.

1.3 Name of persons entitled to appoint trustees: trustees must be appointed by vote of a quorate meeting, first as a member of the company then as a trustee of the company.

1.4 Trustee induction: new trustees receive an induction pack and session from the Managing Director comprising governing documents, legal and financial responsibilities, detailed financial information, programme and staffing of the company and specific briefing relating to that trustee's role on the Board. They meet with the Chair before appointment and are invited as an observer to one meeting before a decision is made for them to join the board of trustees.

1.5 The organisational structure: The Company is overseen by the trustees at a minimum of 4 meetings a year, although in practice this is usually more, and an annual budget with cash flow including salary levels and staffing changes is proposed by the CEO and approved by the Board. Major policy discussions and programme initiatives relating to that policy are discussed and approved by the Board.

1.6 Statement of relationship with other parties: Community Music has no subsidiaries. It maintains a strong relationship with other similar community music projects and funders through its working partnerships.

1.7 Statement of benefits received by trustees: none

1.8 The Board of Trustees aims to conduct an annual audit of its skills relating to the relevant arts, education and creative industries sectors. It seeks to appoint new trustees where necessary.

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Year ended 31 March 2022

2. Objectives, Activities of the charity and Strategic Report:

1. Overall Strategic Aim

- To be a leading provider of youth music opportunities in London.

2. Youth Music Opportunities

- To provide opportunities for young people to access and participate in creative music making in modern genres.

3. Professional Training

- To create structured access to professional training in music including higher education and vocational training.

4. Live Music Promotion

- To partner closely with professional promoters and festival organisers to promote new talent in successful live music contexts that guarantee audiences.

5. Artist and Business Support

- To support artists in their career development and creation of businesses.

6. Key Targets for 2021-23

To continue provision of youth music opportunities in London and provide opportunities to young people to access and participate in creative music making in modern genres. To proceed with structured access to professional training in music including higher education and vocational training while partnering with professional promoters and festival organisers to promote new talent in successful live music contexts that guarantee audiences, whilst providing artist and business support creating independence in their careers.

3. Ensuring our work delivers our aims

In shaping and reviewing Community Music's aims and objectives for the year and planning their activities, the trustees have considered the Charity Commission's guidance on public benefit. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set. Community Music reviews their aims, objectives and activities each year to assess the success of each key activity, and the benefits they have brought to those groups of people they are set up to help. This ensures Community Music's aims, objectives and activities remain focused on their stated purposes.

CM will expand and consolidate its youth and community programme and continue its professional training and artist development pathways including higher education and vocational training. The programmes will be on a blended basis or online if necessary. The programmes will have various objectives and outputs including employment training and creation, crime prevention and enhanced wellbeing. Community Music is fully committed to incorporating and embedding the Arts Council Investment Principles in its planning and programme in order to further develop the business as a dynamic and forward-facing enterprise.

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Year ended 31 March 2022

4. Achievements and performance

Arts Council Annual Survey 2021-2022

The Arts Council provided Community Music with positive feedback and commented that the organisation has the lowest 'Minor Risk level status'.

The new fourth studio has ensured Community Music can accommodate young people's numbers and the frequency of delivery on both the degree and other music & digital provision.

The Creative Music Production and Business Degree

Community Music had a stable year of recruitment which provided a total of 64 students across 2 years.

21 students from the 2nd year are currently interested in sitting a 3rd year at University of Westminster. During the Covid-19 UK lockdown delivery CM managed a blended learning approach, classroom sessions took place when UK Government regulations allowed and education was transitioned to online live delivery with additional online support materials and additional 121 support. Once lockdown was lifted CM offered increased training and extra experiential activity for students to ensure students received the skills and experiences required for the music industry.

Over 1500 minutes of online music production videos were created to support our users and students which bolstered classroom learning.

To combat barriers to learning due to home resources CM continued to provide a resource loan system so students were able to benefit and receive all the lockdown training provided by CM which proved to be very successful.

Nia Archives NME producer of the year 2022

In March 2022 former CM degree student Nia Archives wins Best Producer Supported By BandLab at the BandLab NME Awards 2022. Nia Archives was a student on The Creative Music Production and Business Degree.

Music Leader Training Programme Online

The Music Leader Programme Online platform provides engaging tuition through video, audio, text, images, PDF download guides and other functions such as quizzes and assignment facilities. In 2021-22 the online course was delivered twice over 10 weeks with over 60 students across 2 cohorts. The course has had over 40 reviews and maintains a 5-star rating. The course was not affected by the lockdown due to all lessons, assignments and micoteach assessments taking place online.

Mind The Music Plus

Mind the Music plus is funded by Youth Music and City Bridge London Funders to support the mental health of young people on existing Community Music projects, young people who have felt isolated during the Covid-19 lockdown and those referred to us through CAMHS and the Coburn in-patient Centre for adolescent mental health in Tower Hamlets and Newham. It offers one to one and small group tuition and is adaptable to the needs of those accessing this service.

Community Music continues to reduce the barriers of learning by using cloud-based music production software, specifically VIP studios by Charanga and SoundTrap by Spotify when working online and in face-to-face settings alongside more advanced software such as Logic Pro X. During 2021-22 sessions took place online and in person with one to one and group sessions. On average each week Community Music worked with 15-20 young people who have mental health challenges.

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During the lockdown period and after, more young people from other referrals came forward including young people already working with Community Music and through marketing channels of the project. In 2022 Community Music built partnerships with Look Ahead through Mind The Music Plus. Look Ahead delivers mental health, learning disabilities, homelessness and young people services to over 6,000 people each year. The majority of their customers come to them through the local authorities and borough referrals.

In August 2021 Community Music received its report from University of Essex who researched the outcomes and evaluations of the participants referred from CAMHS, NHS, staff, 121 sessions and tutors involved in Mind The Music over the last 24 months.

The report has been used to reflect on the impact it has on young people and stakeholders involved with Mind The Music. The report is available to download and has assisted with networking and partnership opportunities.

Artist development

Community Music hosted several free in person and online masterclass sessions covering music production, DJing, digital skills, podcasting, social media, business & marketing, and photography. The masterclasses were a blend of professional tutors and professional industry experts. There was a particular focus on social media channels such as TikTok.

Houghton Festival

Houghton festival partnered with Community Music and together produced 8 workshops online. The plan was for the CM users and students to complete the training and then work on site at the festival to help set up and support the festival's organisers and staff through job roles such as stage management, technical, artist liaison, photography, videography and more. Over 20 young people took part, unfortunately due to Covid-19 the festival could not go ahead. However, the festival and project will continue in 2022.

Tiktok.com/@CMsounds.com

Community Music's TikTok channel launched late March 2022 and is currently growing with nearly 12,000 followers. The channel shares musical content, advice and other relevant TikTok content.

Create 2020

Create 2020 restarted once lockdown restrictions had been lifted, the project is run in partnership with Homes from Haringey, Haringay council and Youth Music. Twice weekly sessions take place at the centre on Northumberland Park Estate's Project 2020 centre.

The sessions host up to 30 young people each week enabling them to produce their own radio shows, podcasts, digital skills, record their own music and address issues surrounding them through music. The centre also provides other support such as homework clubs, food banks and other support that assists young people of the estate with day-to-day circumstances.

ReCharge

ReCharge provides free training for 12–24-year-olds and offers training in music production, DJing, digital skills, podcasting, social media, business & marketing and photography. The project has been supported by Westfield East Bank Creative Futures Fund and Community Music's own investment. The project has had over 300 sign ups and hosts up to 15 young people per week at the centre.

Mayer Brown, Mintel and CSR

Mayer Brown and Mintel continued their relationship with Community Music and both organisations selected Community Music as charity of the year and unrestricted funds donated to Community Music.

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Short Courses for Adults and Professional Education

In 2021-22 Community Music developed two online courses in Logic Pro X and Ableton. Classroom courses were developed such as Introduction to Ableton, Live Sound and digital marketing. Further courses are being developed to enhance professional skills which are low cost with instalment payment options to ensure adults have access to skill enhancement in music and digital skills.

Digital Delivery and Blended Learning

Over 2021-2022 Community Music used a combination of digital delivery and in parts blended learning. Over this period Community Music's static online support and resource library has grown to over 2000 minutes of online support videos. The aim is to provide further transferable skills and work placement opportunities, address the digital divide and the growing skills gap in digital skills in the cultural sector.

Partners

Lockdown made it particularly difficult to maintain planned projects and partnerships and in this financial year Community Music were aiming to work and continue work in 2021-2022 with: Houghton Festival, Sound Skool, Alexandra Palace, Continental Drifts, Transform UK/TCW/London East Alternative Provision, Tower Hamlets CAMHS, Coburn Centre, Newham, New Direction for the Cultural Education Partnership, First artists Management, Pioneer, Radio 1, University of Essex, Sunway University Malaysia, Kooth.com, Newham Mental Health services and SMART mental health charity, London Met Police, Tower Hamlets Children and Young People's Centre, Tower Hamlets Education Wellbeing Service (THEWs), East London NHS Foundation Trust, The Tavistock and Portman NHS Foundation Trust, Whitechapel Gallery, Cardboard Citizens, The Orchestra of the Age of Enlightenment & Spitalfields Music, Sound and Music, A-Team Arts, CDR, PyroRadio, Homes for Haringay, VIP studio sessions, SMART, Music Education, THAMES, Youth Music, New Direction. Musicians Union and National Education Union, Mayer Brown, Mintell, University of Westminster and The Arts Council.

5. The public benefit of provision

5.1 All of Community Music's provision is intended to be of public benefit to a variety of people. The majority of Community Music's local youth provision is accessible to anyone aged 13-25 living or studying in Tower Hamlets and Haringey, and during the Covid-19 pandemic lockdown Community Music broadened it's online session reach to the whole of the UK to support young and vulnerable people through the lockdown

5.2 Community Music does not charge fees for any course or activity on the youth programme. The higher education provision is accessible by anyone aged 18 and above and is not restricted geographically. Community Music specifically targets those people who would not normally be able to access higher education, either through a lack of formal qualifications or for financial reasons and uses targeted demographic marketing to encourage local recruitment.

5.3 Community Music's higher education tuition fees are significantly lower than the standard degree cost and the FdA: Creative Music Production and Business course is fully supported by the student loans system for those who cannot afford the initial tuition cost outright. Monthly payment schemes are also available for other adult, and HE programmes including the Music Leader course and Community Music works hard to ensure no one is excluded due to financial reasons where possible. The facilities are fully accessible and have full wheelchair access.

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Year ended 31 March 2022

6. Financial review

6.1 Financial aims of charity

- To maintain reserves to cover 6-12 months operating costs.
- To implement a sustainable fundraising strategy.

6.2 Policy on reserves

1. The Trustees of Community Music recognise their responsibility to have a transparent policy on managing the resources of the company, including financial reserves. They acknowledge this as a requirement under the Statement of Recommended Practice: Accounting and Reporting by Charities.

2. The term 'reserves' is defined as that part of the charity's funds that are freely available for general purposes. In the case of Community Music, almost all of the income usually comes from a variety of grant aid and earned income. This would relate to income classified as unrestricted funds, which is available to spend on general charity purposes, once all its commitments have been met and its planned expenditure has been covered.

3. The Trustees of Community Music believe that it is generally in the interests of the charity to work towards a position of holding reserves that would cover 6-12 months operating costs. This is to ensure adequate cash flow flexibility to meet emergency measures, delayed payment of grants and unpredictable variations in expected income.

4. Community Music has increased its surplus over the past three years. This year our income has decreased, and surplus has increased due to cost control and successful fundraising for equipment and youth and community projects.

6.3 Income and Turnover

The income and turnover of Community Music from 2019-2022 is:

Period / Income / Surplus / (deficit) Total Funds

19/20 £768,390 £55,215 £444,734 (restricted funds £33,041)/ (unrestricted funds £411,693)

20/21 £722,292 £193,171 £637,905 (restricted funds £115,675)/ (unrestricted funds £522,230)

21/22 £597,198 £108,730 £746,635 (restricted funds £90,052)/ (unrestricted funds £656,583)

Community Music Trustees are concerned to maintain a robust business model through effective fundraising, tight cost control, protecting the brand quality and keeping ahead of the sector with initiatives. Community Music's unrestricted funds surpluses on annual performance have steadily increased in 2021-2022.

6.4 Financial Stability and Resilience

This year Community Music has continued to build earned income and decrease dependence on grant aid. 63% of Community Music's income in 2020/21 is classified as unrestricted funds. Whilst remaining financially accessible for students, the Foundation Degree now generates a significant proportion of our income through tuition fees and supports the delivery of the free access education programmes on offer at Community Music. Students NEEDs completing can access student finance for this programme and face no upfront costs. Community Music completes an annual risk assessment that addresses any concerns or considerations for the coming year.

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Partnerships are key to their continued resilience and ability to thrive. Community Music has longstanding partnerships with the University of Westminster and City & Guilds, which Community Music takes care to manage well to ensure the long-term security of our HE provision.

Principal other funding sources this year were:

- Arts Council of England: core costs, equipment, training and artist development
- Trusts and Foundations

Community Music remains an Arts Council National portfolio client, and their current funding stands at £136,426 per year. This essential funding allows the charity to develop their core work whilst leveraging in funding from other sources.

The Arts Council percentage ratio return is around £4.50 for every £1 invested.

6.5 Trusts and Foundations

Community Music has a good track record of securing funding from trusts and foundations. Current income includes funding from the JA Clark Trust, Children in Need & Youth Music who have funded Community Music for the past few years to deliver work with local youth and NEET organisations and now the Mind the Music programme, a major initiative supporting young people through music with mental health issues.

6.6 Fundraising Strategy

Community Music's financial model remains one that seeks income from a variety of different sources and is not solely dependent on grant aid. Community Music's key focus is to ensure the charity continues to seek new sources of income and funding, including self-generated income, in order to protect itself and to ensure long-term viability.

The fundraising strategy which exploits many sources of income including:

- Funding from CSR, regular individual giving, high net worth individuals and organisations
- Other earned income from Adult Creative learning sales,
- Continuing current funding relationships with HE and other service providers
- Continuing to generate income through grant aid.

6.7 Unrestricted funding for general purposes.

Community Music is the recipient of funds from the Arts Council and was successfully awarded a four-year National Portfolio funding agreement and last year extended until 2023 due to the Covid-19 pandemic. The funding is tied to a programme of specific projects and outputs and covers core costs. The Arts Council view their funding as investment rather than grant aid and are specific about the returns they wish to see. Community Music has a good relationship with the Arts Council and the Relationship Manager is working closely with Community Music to develop that relationship further. Community Music has continued to move forward as a more resilient, self-sufficient organisation, and continue to see the development of this new model building over the coming years. Fee paying tuition is increasingly supporting the non-fee-paying delivery whilst continuing to offer low-cost access to higher education. Community Music is also building on their corporate sponsors. Community Music continues to successfully grant funds from trusts and foundations, which allow the charity to develop new work such as the Mind the Music project.

7. Risk Statement

The trustees actively review the major risks to the company on a regular basis and believe that maintaining free reserves combined with internal review of financial controls provides sufficient protection against unforeseen financial variations. Other operational risks are assessed annually and effective action taken to mitigate these risks.

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8. COVID-19 Crisis

Covid-19 lockdown in the UK officially began on March 23rd 2020 and ended on the 19th July 2021, forcing Community Music to adjust how it operates due to the building closing and operating under UK Government Covid-19 working and education regulations. Community Music followed daily UK Government guidelines and updates relating to COVID-19 regulation guidelines. An emergency strategy and process was followed, this included financial planning, emergency forecasting, operational planning and delivery, safeguarding including young people, staff and trustees. Continuing risk assessments were and are conducted to meet changing COVID-19 national and local regulations. Fundraising was achieved to ensure youth projects continued. Regular meetings and communication relating to daily operations at the charity and check in with trustees are carried out.

9. Going Concern (COVID-19)

The Trustees have been carrying out a continuous assessment of the impact of COVID-19 on the operations of the charity, and considered the risks and threats posed.

The Trustees are satisfied that to date, the threat to operations has been minimal, and whilst working arrangements have had to be adapted, this has not significantly reduced the effectiveness of the organisation.

The Trustees are monitoring events in the country, and have a protocol in place, to provide a quick response to any changes in the operating environment, but currently do not anticipate any circumstances that significantly curtail the ability of the charity to function.

The Trustees have also considered the non-COVID-19 related circumstances and projections of the charity and are satisfied that the going concern basis is appropriate for these financial statements.

10. Volunteers

All of our work is carried out by our paid team. However, we should like to thank those who have given their time voluntarily to provide pro-bono advice and support to us during this period. This has enhanced and enriched our work. The advice and support is generally project based or relating to specific aspects of our work. The efforts of volunteers constitute a valuable element of the charity's activities.

11. Plans for the future

CM will continue to review its financial position through careful cost control, management agility and a varied and energetic fundraising strategy. It increased its unrestricted reserves and will continue developing new income-generating concepts including a programme of online courses, portfolio digital skills training for artists from basic to higher education level and international collaborations.

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 27 to the financial statements.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Trustees' responsibilities statement

Directors Responsibilities

- (a) the directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations and in accordance with United Kingdom Generally Accepted Accounting Practice;
- (b) company law requires the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit profit or loss of the charity for that period;
- (c) in preparing the financial statements the directors are required to:
 - (i) select suitable accounting policies and then apply them consistently;
 - (ii) make judgements and accounting estimates that are reasonable and prudent;
 - (iii) State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
 - (iv) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- (d) the directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the charity and that enable them to ensure that the financial statements comply with the Companies Act;
- (e) the directors are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities; and
- (f) where appropriate, the directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website.

In the case of CA 06 Co.-s418(2) each of the persons who are directors at the time when the report is approved, the following applies:

(a) so far as each director is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and

(b) each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

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Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 30 November 2022 and signed on behalf of the board of trustees by:

H Searle
Chair



J Prince
Trustee



Community Music Limited

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Independent Auditor's Report to the Members of Community Music Limited

Year ended 31 March 2022

Opinion

We have audited the financial statements of Community Music Limited (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cashflows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the audited financial statements:

- give a true and fair view of the state of the charity's affairs as of 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom accounting standards, including FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements relating to the audit of the financial statements in the UK, including the Financial Reporting Standards (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In common with many other charities of this size and nature the auditors are used to assist with the preparation of the financial statements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in preparation of the financial statements is appropriate.

Based on the work, we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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Independent Auditor's Report to the Members of Community Music Limited (continued)

Year ended 31 March 2022

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditors report thereon. The trustees are responsible for the other information contained within the trustees' report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the Directors' Report) for the financial year for which the audited financial statements are prepared is consistent with the audited financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the audited financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the audited financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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Independent Auditor's Report to the Members of Community Music Limited (continued)

Year ended 31 March 2022

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of audited financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the audited financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the audited financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the audited financial statements, including the disclosures, and whether the audited financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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Independent Auditor's Report to the Members of Community Music Limited

(continued)

Year ended 31 March 2022

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the nature of the charity's industry and its control environment and reviewed the charity's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and others within the entity about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the charity operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Companies Act, Charities Act, Charities (Accounts and Reports) Regulations 2008, Health and Safety Act, employment law, pensions legislation, tax legislation, Bribery Act and Slavery Act; and

- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. These included the Charity Commission for England and Wales (Charity Commission) regulations, fundraising regulations and Anti-Money Laundering Regulations (including Proceeds of Crime Act 2002 and Terrorism Act 2000)

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address them are described below:

- Recognition of grant income: this involves judgement around whether grants have performance conditions attached to them which have to be met before income can be recognised, as well as judgement over whether or not those conditions have been satisfied. On a sample basis, we have assessed the judgements and estimates made by management in the recognition of this income.

- Appropriate allocation of restricted income: there is a risk that restricted income may not have been identified and allocated as such. We reviewed the allocation of income to restricted or unrestricted funds on initial recognition to ensure restrictions were appropriately identified and applied, and we reviewed fund transfers from restricted to unrestricted funds to assess the rationale for those movements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

Community Music Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Community Music Limited

(continued)

Year ended 31 March 2022

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal management reports, reviewing correspondence with HMRC and with the Charity Commission.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed

John Assie FCCA (Senior Statutory Auditor)

for and on behalf of

Jackson Nicholas Assie Limited

Chartered Certified Accountants and Statutory Auditors

Suite 7, Meridian House

62 Station Road

Chingford

London E4 7BA

1 December 2022

Community Music Limited
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 March 2022

			2022		2021
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	146,316	27,077	173,393	281,340
Charitable activities	6	404,086	19,355	423,441	440,929
Investment income	7	10	–	10	23
Other income	8	354	–	354	–
Total income		<u>550,766</u>	<u>46,432</u>	<u>597,198</u>	<u>722,292</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	9	42,673	–	42,673	53,335
Expenditure on charitable activities	10,11	373,740	72,055	445,795	475,786
Total expenditure		<u>416,413</u>	<u>72,055</u>	<u>488,468</u>	<u>529,121</u>
Net income and net movement in funds		<u>134,353</u>	<u>(25,623)</u>	<u>108,730</u>	<u>193,171</u>
Reconciliation of funds					
Total funds brought forward		522,230	115,675	637,905	444,734
Total funds carried forward		<u>656,583</u>	<u>90,052</u>	<u>746,635</u>	<u>637,905</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 20 to 31 form part of these financial statements.

Community Music Limited
Company Limited by Guarantee
Statement of Financial Position
31 March 2022

	Note	2022 £	£	2021 £
Fixed assets				
Tangible fixed assets	19		31,729	—
Current assets				
Debtors	20	228,336		273,937
Cash at bank and in hand		496,821		410,728
		<u>725,157</u>		<u>684,665</u>
Creditors: amounts falling due within one year	21	<u>(10,251)</u>		<u>(46,760)</u>
Net current assets			<u>714,906</u>	<u>637,905</u>
Total assets less current liabilities			<u>746,635</u>	<u>637,905</u>
Net assets			<u>746,635</u>	<u>637,905</u>
Funds of the charity				
Restricted funds			90,052	115,675
Unrestricted funds			<u>656,583</u>	<u>522,230</u>
Total charity funds	23		<u>746,635</u>	<u>637,905</u>

These audited financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These audited financial statements were approved by the board of trustees and authorised for issue on 30 November 2022, and are signed on behalf of the board by:

H Searle
Trustee



J Prince
Trustee



Company Registration Number: 01967704

The notes on pages 20 to 31 form part of these financial statements.

Community Music Limited
Company Limited by Guarantee
Statement of Cash Flows
Year ended 31 March 2022

	2022	2021
	£	£
Cash flows from operating activities		
Net income	108,730	193,171
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	15,864	–
Other interest receivable and similar income	(10)	(23)
<i>Changes in:</i>		
Trade and other debtors	45,601	28,248
Trade and other creditors	(36,509)	(21,973)
Cash generated from operations	133,676	199,423
Interest received	10	23
Net cash from operating activities	133,686	199,446
Cash flows from investing activities		
Purchase of tangible assets	(47,593)	–
Net increase in cash and cash equivalents	86,093	199,446
Cash and cash equivalents at beginning of year	410,728	211,282
Cash and cash equivalents at end of year	496,821	410,728

Community Music Limited
Company Limited by Guarantee
Notes to the Audited Financial Statements
Year ended 31 March 2022

1. General information

The charity is a public benefit entity as defined by FRS102 and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Brady Centre, 192-196 Hanbury Street, London, E1 5HU.

2. Statement of compliance

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

3. Accounting policies

Basis of preparation

The audited financial statements have been prepared on the historical cost basis.

The audited financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The trustees have considered all relevant factors, including the long-term impact of COVID-19 on the charity's activities and have concluded there is no significant impact on the Organisation.

It is therefore considered that the going concern status remains intact and there are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There have not been any judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies. There are no other judgements nor other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the life of the lease.

Tangible assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. With the exception of Cycle Scheme Assets the costs of minor additions or those costing below £2,500 are not capitalised.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset as follows:

straight line basis over 3 years	-	Office equipment & furniture
straight line basis over 2 years	-	Studio equipment
straight line basis over 3 years	-	Computers & musical equipment
straight line basis over 3 years	-	Cycle & computer scheme assets

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

4. Limited by guarantee

Community Music Limited is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Mintel Group	4,000	—	4,000
Mayer Brown	5,852	—	5,852
Donations under £5000	38	—	38
Grants			
The Arts Council	136,426	—	136,426
The Arts Council Capital Grant	—	—	—
BBC Children in Need	—	—	—
Covid-19 Grant Re:Charge	—	—	—
National Foundation Youth Music	—	11,417	11,417
J. A. Clark Charitable Trust	—	—	—
East End Community Foundation	—	14,260	14,260
Furlough Income	—	—	—
Grants of £5000 or less	—	1,400	1,400
	<u>146,316</u>	<u>27,077</u>	<u>173,393</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Mintel Group	—	—	—
Mayer Brown	4,431	—	4,431
Donations under £5000	80	—	80
Grants			
The Arts Council	136,426	—	136,426
The Arts Council Capital Grant	—	60,172	60,172
BBC Children in Need	—	6,440	6,440
Covid-19 Grant Re:Charge	5,600	—	5,600
National Foundation Youth Music	8,400	—	8,400
J. A. Clark Charitable Trust	—	10,000	10,000
East End Community Foundation	—	—	—
Furlough Income	44,674	—	44,674
Grants of £5000 or less	—	5,117	5,117
	<u>199,611</u>	<u>81,729</u>	<u>281,340</u>

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Accredited courses - fee income	371,220	–	371,220
Local projects & other training - grants and fees	5,922	19,355	25,277
Other income from charitable activities - KickStart	26,944	–	26,944
	<u>404,086</u>	<u>19,355</u>	<u>423,441</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Accredited courses - fee income	392,410	–	392,410
Local projects & other training - grants and fees	1,415	27,265	28,680
Other income from charitable activities	452	19,387	19,839
	<u>394,277</u>	<u>46,652</u>	<u>440,929</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	<u>10</u>	<u>10</u>	<u>23</u>	<u>23</u>

8. Other income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Equipment sales	<u>354</u>	<u>354</u>	<u>–</u>	<u>–</u>

9. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Fundraising and publicity costs	<u>42,673</u>	<u>42,673</u>	<u>53,335</u>	<u>53,335</u>

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Live music promotion and Artist and business support	–	–	–
Local youth music promotion	–	49,134	49,134
Professional training	239,396	14,584	253,980
Support costs	134,344	8,337	142,681
	<u>373,740</u>	<u>72,055</u>	<u>445,795</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Live music promotion and Artist and business support	1,519	–	1,519
Local youth music promotion	33,004	32,276	65,280
Professional training	266,852	–	266,852
Support costs	128,664	13,471	142,135
	<u>430,039</u>	<u>45,747</u>	<u>475,786</u>

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Live music promotion and Artist and business support	–	–	–	4,213
Local youth music promotion	49,134	8,337	57,471	84,140
Professional training	253,980	128,955	382,935	370,578
Governance costs	–	5,389	5,389	16,855
	<u>303,114</u>	<u>142,681</u>	<u>445,795</u>	<u>475,786</u>

12. Analysis of governance costs

	2022 £	2021 £
Audit Fees	5,184	13,594
Trustees Meetings	–	567
Staff	–	1,667
Premises	–	399
Communications	–	341
Legal & Professional	205	–
Finance	–	2
Marketing	–	–
Other	–	285
Total	<u>5,389</u>	<u>16,855</u>

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

13. Analysis of support costs (excluding governance costs)

	Local youth music promotion £	Professional training £	Total 2022 £	Total 2021 £
Staff costs	3,509	72,624	76,133	77,514
Premises	2,481	28,704	31,185	18,547
Communications and IT	1,078	12,470	13,548	15,837
Human resources + Legal & Professional	396	4,593	4,989	12
Finance costs	22	246	268	101
Support costs: Other costs	851	10,318	11,169	13,269
	<u>8,337</u>	<u>128,955</u>	<u>137,292</u>	<u>125,280</u>

The basis of allocation of support costs to activities is as follows:

- Staff costs (including related pension costs): Staff time spent on each activity
- Other costs: Usage

14. Net income

Net income is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	15,864	–
Operating lease rentals	1,744	1,744

15. Auditors remuneration

	2022 £	2021 £
Fees payable for the audit of the audited financial statements	2,394	3,399
Fees for non-audit services	2,790	10,195

16. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022 £	2021 £
Wages and salaries	294,904	333,324
Social security costs	17,514	24,120
Employer contributions to pension plans	5,508	6,563
	<u>317,926</u>	<u>364,007</u>

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

16. Staff costs *(continued)*

The average head count of employees during the year was 17 (2021: 16). The average number of full-time equivalent employees during the year is analysed as follows:

	2022 No.	2021 No.
Accredited courses	1	2
Artist development	1	1
Development, Education, Networking	1	2
Fundraising and publicity	1	1
	<u>4</u>	<u>6</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £52,863 (2021: £52,581).

17. Trustee remuneration and expenses

None of the trustees received any remuneration and no members received expenses during the year (2021: Nil).

No trustee expenses have been incurred during the year (2021: Nil)

18. Transfers between funds

Transfers from unrestricted funds to restricted funds are to make good funding shortfalls and eliminate negative fund balances.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

19. Tangible fixed assets

	Office equipment & furniture £	Studio Equipment £	Computers & musical equipment £	Cycle & Computer Scheme Assets £	Total £
Cost					
At 1 April 2021	9,910	29,156	62,969	3,307	105,342
Additions	3,840	–	43,753	–	47,593
At 31 March 2022	13,750	29,156	106,722	3,307	152,935
Depreciation					
At 1 April 2021	9,910	29,156	62,969	3,307	105,342
Charge for the year	1,280	–	14,584	–	15,864
At 31 March 2022	11,190	29,156	77,553	3,307	121,206
Carrying amount					
At 31 March 2022	2,560	–	29,169	–	31,729
At 31 March 2021	–	–	–	–	–

20. Debtors

	2022 £	2021 £
Trade debtors	204,277	39,611
Prepayments	4,653	3,585
Accrued income	19,355	230,690
Other debtors	51	51
	228,336	273,937

21. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	3,455	5,527
Accruals and deferred income	1,133	1,133
Social security and other taxes	4,628	7,440
Other creditors	1,035	32,660
	10,251	46,760

The figure of other creditors includes a pension liability of £ £1,035 (2021: £1,260). There is no other pension liability other than those disclosed above.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

22. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £5,508 (2021: £6,563).

23. Analysis of charitable funds

Unrestricted funds

	At 1 April 2021 £	Income £	Expenditure £	At 31 March 2022 £
General funds	<u>522,230</u>	<u>550,766</u>	<u>(416,413)</u>	<u>656,583</u>

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
General funds	<u>411,693</u>	<u>593,911</u>	<u>(483,374)</u>	<u>522,230</u>

Restricted funds

	At 1 April 2021 £	Income £	Expenditure £	At 31 March 2022 £
Youth Music - General	53,587	46,432	(57,471)	42,548
Children in need	1,335	—	—	1,335
Youth Music - 'Can Play, Will Play'	581	—	—	581
Arts Council - Capital Grant	<u>60,172</u>	<u>—</u>	<u>(14,584)</u>	<u>45,588</u>
	<u>115,675</u>	<u>46,432</u>	<u>(72,055)</u>	<u>90,052</u>

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
Youth Music - General	31,125	68,209	(45,747)	53,587
Children in need	1,335	—	—	1,335
Youth Music - 'Can Play, Will Play'	581	—	—	581
Arts Council - Capital Grant	<u>—</u>	<u>60,172</u>	<u>—</u>	<u>60,172</u>
	<u>33,041</u>	<u>128,381</u>	<u>(45,747)</u>	<u>115,675</u>

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

23. Analysis of charitable funds *(continued)*

Purposes of Funds

BBC Children in Need (General Youth Music) - To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

J A Clarke Charitable Trust (General Youth Music) – To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

BBC Children in Need (General Youth Music) - To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

East End Community Fund (General Youth Music) – To support Re-Charge, free sessions are run by experienced tutors in professional industry standard studios. Available to those between the ages of 12 and 25.

National Foundation MTM Plus (General Youth Music) - To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

Homes for Haringey (General Youth Music) – to enable young people to produce their own radio shows, podcasts and skills.

Arts Council Capital Grant – to acquire studio equipment and resources to broaden and increase training to its users.

24. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	2,560	29,169	31,729
Current assets	664,274	60,883	725,157
Creditors less than 1 year	(10,251)	—	(10,251)
Net assets	656,583	90,052	746,635

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	—	—	—
Current assets	568,990	115,675	684,665
Creditors less than 1 year	(46,760)	—	(46,760)
Net assets	522,230	115,675	637,905

25. Analysis of changes in net debt

	At 1 Apr 2021 £	Cash flows £	At 31 Mar 2022 £
Cash at bank and in hand	410,728	86,093	496,821

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

26. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than 1 year	1,584	1,584
Later than 1 year and not later than 5 years	549	2,293
	<u>2,133</u>	<u>3,877</u>

27. Post balance sheet events

The trustees have considered the likelihood of any significant post balance sheet events including the long-term impact of COVID-19 and have concluded that there are none which impact the financial statements.

28. Related parties

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year or the previous year. There were no related party transactions during the year.